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DD/S REGISTRY

FILE 0472-1
7 APR 1965

, DTR 3391

MEMORANDUM FOR: Mr. John S. Earman

Jack:

Along with members of my staff I have given considerable thought to your request that I suggest DD/S areas or functions, a survey of which would benefit not only the Agency but also DD/S. According to my records, IG surveys of DD/S components have been conducted as follows:

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|---|-------------------|
| Office of the Comptroller | 18 August 1955 |
| JOT Program | 2 February 1956 |
| DD/S | July 1956 |
| Office of Personnel | 29 January 1959 |
| Office of Personnel and Career Service Program | 29 January 1960 |
| CIA Training Program | 28 September 1960 |
| Office of Logistics | 27 June 1961 |
| Survey of Personnel Security | 10 October 1963 |
| Office of Personnel | 5 June 1964 |

First, I should like to re-emphasize that in principle we welcome IG surveys of any DD/S office or function at any time you can undertake them. At the moment I believe more benefit with less manpower might be realized from surveying several areas or functions as opposed to surveying an entire office. For your consideration I am listing below, in order of priority, several functions for IG surveys which you may wish to undertake during 1965. All of these have been the subject of attention and study by those offices having a responsibility for these programs. However, in many instances the operation of these programs extends throughout the

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Agency and the responsible officers are limited in the extent and degree of inquiry and analysis which might lead to further refinement of these programs.

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a. Procurement - As you know, the Department of Defense has made points with both the Congress and the public through publicity concerning greater use of the competitive and incentive-type contracts. The Office of Logistics has long advocated competitive-type bidding and has adopted incentive-type contracts with quite favorable results. Efforts to develop further this phase of procurement are in process; however, an independent look at this program might be very beneficial. We have been bothered with a basic question as to whether we should press for centralized procurement by the Office of Logistics or whether we should continue with the form of decentralized procurement that is in effect at the present time. In this regard, DD/S&T is actually carrying on a greater dollar volume of procurement action than is the Procurement Division of the Office of Logistics, and it is felt that this is a matter worthy of further examination. There are other problems involved, all of which tie into the several basic questions raised above, such as, Is there sufficient and proper coordination between the Procurement Division, the Industrial Contract Audit Division, the sponsoring component, and other Agency elements involved?

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b. The Agency's Industrial Security Program - The number of Agency contracts continues to grow and is taxing our security capability very severely. To manage and control the security aspects of these contracts properly, both the Office of Security and the Office of Logistics have given much attention to this problem, but its satisfactory resolution is not likely to be accomplished until we further address ourselves to the issues of centralized or decentralized procurement. In each area there are problems, but they stem largely from management and control concepts. An independent review of this activity in connection with the procurement function could also be very beneficial.

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c. Real property accountability - This has been a vexing problem through the years; however, I am satisfied that it is well in hand within the Agency components with the exception of proprietary organizations and projects. In view of cover and control factors it would be a major effort to explore the control and handling of real property held by proprietaries. Under those circumstances I am not at all satisfied that our regulations and procedures in this area are fully adequate.

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d. The entire procedure of entrance on duty of Agency employees and the exit processing of those leaving the Agency involves a number of offices. While this procedure is under frequent review and is being improved, an independent survey might be helpful.

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e. Agency regulatory process - This has also been a vexing and time-consuming process which, in my judgment, continues to leave a great deal to be desired. Practically all components of the Agency are at times involved, and, of course, any change in regulations has an Agency-wide effect. There are a number of questions involved: Is our coordination system right? Is there a duplication between Agency regulatory issuances and other intra-Agency issuances, Employee Bulletins, Financial instructions, etc.?

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f. Travel administration - It is very difficult to have a uniform travel administration policy and still maintain the flexibility which I believe is desirable to meet special situations. However, this flexibility permits varying policies among Agency components, such as who travels first class, etc. I think that a good, hard look at this problem on an Agency-wide basis would be helpful.

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g. The Agency's Records Administration Program - The records and information retrieval systems of the Agency have received a great deal of attention in recent years and for the future should produce a much sounder program of information storage and retrieval. We still, however, produce a tremendous amount of paper records and perhaps retain too many, either at headquarters or at a records storage center. We are constantly being pressed to construct additional storage space for records retention. I feel certain that a good, sound Agency records program could save us a great deal of money and space. It is a basic program that could well warrant an over-all review.

h. The Office of Training - You will note that I have put this subject rather low on my priority list since I am not really concerned about the Office of Training. However, if you have the time and in anticipation of Matt Baird's retirement as Director of Training in January 1966, his successor might find an independent evaluation very useful at the time he assumes his new responsibilities.

No plans at present

This was my suggestion not DDS's

i. The Office of Communications at headquarters - Here again, I have no real concern about the efficiency of

No plans at present

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the operations of the Office of Communications at headquarters. I know that you have usually looked at our overseas communications facilities in your surveys of the Area Divisions, and I assume that you are generally satisfied with this Office. Insofar as I know, however, there has never been a complete survey of the Office of Communications and the piecemeal approach has never included its headquarters operations.

I would be glad to discuss this or a modified list with you at your convenience.

25X1A Signed

L. K. White

DD/S:LKW:jrf

Distribution:

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